

March 27, 2007

Dear Members of the House Business and Labor Committee:

I am writing to ask your support for SB 491, which revises the Montana Code Annotated to make the Housing Revolving Loan Fund more responsive to the continuum of Montana's housing needs. The Fund was established in 1999 but has only been allocated small amounts of one time funding that have been used up in housing projects and homeownership programs. The Fund, that we propose to name the Housing Montana Fund, needs sustainable sources of revenue and greater flexibility in uses to meet the range of housing needs and opportunities that exist throughout the State.

Your support of the Housing Montana Fund is critical to make any progress against the housing crisis in so many areas of Montana. You see, all too well, the impact that the "discovery of Montana" has had on Gallatin, Flathead and Ravalli Counties. Housing is beyond the reach of working families. The success of our economic development efforts has created the unintended consequence of a housing crisis.

In Montana's small and large towns, essential community workers cannot afford to purchase home in the town they protect. Our nurses, school teachers, firefighters and peace officers are often forced to live outside of their towns or in marginal housing conditions. Housing prices, both rental and sales, have vastly outstripped the wages paid to Montana families.

Most other states have already realized that they must support housing programs with state dollars. Only 8 states do not fund housing programs, Montana being one of them. When I mentioned to a friend in Washington, DC that we were working on state funding for housing programs, he said, "You mean Montana doesn't put state money into housing? Why even Mississippi supports housing!"

The best way to cure Montana's housing shortage is to produce more homes, renovate the ones that we have, and assist hard-working families to purchase their own home. Many of us wonder how our children and grandchildren will ever be able to purchase a home....the Housing Montana Fund will make it possible.

I urge your support of SB 491, and its companion appropriations bills for the Housing Montana Fund.

Sheila Rice
Executive Director
Montana Homeownership Network